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J.P. Morgan's 2024 Healthcare Conference Highlights

(Sources: Staff Articles from FiercePharma and FierceBiotech)

This year's J.P. Morgan Healthcare Conference was packed with insights and information from across all facets of the pharmaceutical and healthcare industries. The three-day event kicked off in San Francisco with updates from companies such as Pfizer, Regeneron, Moderna, Walgreens, Bluebird and others.

Day 1 Highlights:

With nine late-stage pipeline programs in development and 45 overall, Moderna expects to have an "exciting year," CEO Stéphane Bancel said in a business update. The mRNA specialist pulled down US$6.7 billion in 2023 revenues, including US$6.1 billion in COVID-19 vaccine sales. Moderna expects its *Spikevax* to remain profitable and projects some US$4 billion in 2024 product sales, which includes contributions from an anticipated RSV vaccine launch.

Bristol Myers Squibb's new CEO Chris Boerner addressed the big news the company made last month with its holiday buyouts of Karuna Therapeutics, for US$14 billion, and RayzeBio, for US$4.1 billion. He also highlighted the company's pipeline, which could deliver more than 16 new products through 2030. "These products are overwhelmingly first or best in class," Boerner said. "And it is the pipeline momentum that supports the growth opportunities that we see in the back half of the decade."

2024 looks to be a "busy year" for Amgen, CEO Robert Bradway said during his company's presentation on Monday. After integrating Horizon Therapeutics and building out its biosimilar business, the company is putting a particular focus on its obesity program, led by phase 2 asset *MariTide (maridebart cafraglutide)*. Despite intense competition in the obesity space, the company says that its contender has a differentiated profile. Amgen plans to review results from a clinical study of the prospect later this year. Aside from *MariTide*, Amgen is working on an oral small molecule that's currently in Phase 1, as well as "half a dozen or so" preclinical programs.

As Johnson & Johnson moves forward without its consumer healthcare group, the company is leaning on several new launches to drive growth. In multiple myeloma, J&J figures *Tecvayli, Talvey* and *Carvkyti* can handily beat analyst expectations by 2027, CEO Joaquin Duato said. Between new launches and the blockbuster *Darzalex*, J&J's multiple myeloma franchise is heading toward potential annual sales of US$25 billion. In addition, depression nasal spray *Spravato* is poised to beat out analyst estimates. All this comes as J&J pursues US$57 billion in pharmaceutical sales by 2025.

Biogen CEO Chris Viehbacher touted a "tremendous" launch of Friedreich's ataxia therapy *Skyclarys*. The drug is "outperforming" other rare-disease launch analogues, including Biogen's own spinal muscular atrophy launch *Spinraza*, the CEO

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In Brief...

- **Walgreens Boots Alliance** reported revenue of US$37.61 billion for the first quarter of 2024, up approximately 10% year-over-year), with a net loss of US$67 million (which included a US$278 million after-tax charge related to Walgreens' forward sale of shares of drug distributor **Cencora**. Walgreens' U.S. retail pharmacy segment generated $28.94 billion in sales in the fiscal first quarter, an increase of more than 6% from the same period last year. Comparable sales at pharmacy locations rose 8.1%.
- **The Food and Drug Administration (FDA)** has decided to allow the first U.S. state to import drugs from Canada, viewed by supporters as a milestone effort to reduce the cost of medicines that could change the way Americans fill prescriptions. The FDA said it would allow Florida to import prescription drugs from Canada. Several other states have filed similar requests with the agency. The approval opens the door to a potential lower-cost source of prescription drugs, beyond the retail and mail-order pharmacies—and the U.S. supply chain.
- **Viatris** is tapping biopharma veteran *Scott Smith* to become its next CEO, replacing current CEO *Michael Goettler*. Smith most recently served as president of **BioAtla**, but, earlier in his career, he worked in positions of increasing responsibility at **Celgene**. Smith is set to officially take over April 1.
- **The Federation of Japan Pharmaceutical Wholesalers Association (JPWA)** and an association of drug distributors in Ishikawa Prefecture has requested pharma companies to provide critically needed medicines to quake-stricken central

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Alfresa Is IFPW's Newest Member; Representative Director and Executive Vice President Yusuke Fukujin Joins IFPW Board

IFPW is pleased to announce that The Alfresa Group has joined IFPW as a wholesaler member. Alfresa is a leader in the Japanese healthcare industry and is dedicated to fulfilling its corporate philosophy, "we create and deliver a fresh life for all" come true through a wide range of business lines, including ethical pharmaceuticals wholesaling, OTC pharmaceuticals wholesaling, pharmaceutical manufacturing, and operating dispensing pharmacies.

Alfresa's Representative Director & Executive Vice President, Yusuke Fukujin, will join IFPW's Board of Directors as a Regional Director, Asia effective January 2024. IFPW welcomes Mr. Fukujin and the Alfresa team, and looks forward to Alfresa's insights and perspectives as a participating member of IFPW.

For more information on Alfresa, please visit https://www.alfresa.com/eng.

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said. Because of a prior manufacturing-related delay for the drug, there had been a buildup of patients eager to start on therapy, Viehbacher explained. Now with approvals in the U.S. and Europe, Biogen is working to make the most of a medicine it inherited with the Reata buyout.

Regeneron CEO Len Schleifer commented on the company's high-dose version of *Eylea*, which brought in sales of US$123 million in the fourth quarter of 2023 – its first full quarter on the market. The successful launch of *Eylea HD* came despite some adversity. "There's still some amount of prescriber hesitancy related to the fact that we don't have a permanent J-code," Schleifer said, referring to the identifying system that allows pharmacies, hospitals and physicians to bill for medications.

EY's Firepower report, which is published annually on the opening day of the J.P. Morgan Healthcare Conference, assesses the capacity of the industry's top 25 companies to execute M&A deals based on the strength of their balance sheets. EY tabulated the available firepower of the companies at US$1.37 trillion entering 2024, which is the second-highest figure in the 10 years of the analysis. Another factor that bodes well for M&A in 2024 is the sudden surge in high-dollar deals at the end of 2023. Several other elements are in play—including patent expirations, government regulations and the recent failure of several late-stage assets—which signal urgency by large pharma companies to make deals for late-stage and commercial assets, according to EY analysts.

Busy with three gene therapy launches, Bluebird Bio announced it has cash on hand to last until the first quarter of 2025. On the heels of a recent FDA approval for Bluebird's sickle cell disease gene therapy *Lyfgenia*, 35 treatment centers are ready to receive referrals for the medicine, Bluebird said.

Day 2 Highlights:

mRNA specialist BioNTech is turning its attention to its oncology pipeline. This year pledges to be one of "significant execution," CEO and co-founder Ugur Sahin, M.D., updated attendees. The company projects revenues of approximately €3 billion (US$3.28 billion) for 2024, mainly driven by its Pfizer-partnered COVID vaccine *Comirnaty*, which is expected to "remain profitable." Also last year, BioNTech added six new prospects to its oncology pipeline, which now includes a mix of Phase 2 and Phase 3 assets.

After its overwhelming success during the pandemic, Pfizer was caught offguard by a sudden drop in demand for its pandemic products. After some retooling, the company is set for a "year of execution," Pfizer CEO Albert Bourla said. "We used to be the stars of the industry for a few years, so the drop really hurts." The silver lining for the company in 2023 was a record nine FDA approvals for novel products, including two for *Abrysvo*, though the company has some regrets about the early performance of its RSV vaccine launch.

While Merck is one year closer to 2028 when the company will lose patent protection for mega-blockbuster *Keytruda*, CEO Rob Davis de-emphasized the impact of the *Keytruda* patent cliff by focusing on the company's pipeline assets, including three antibody-drug conjugates that Merck has in-licensed from Daiichi Sankyo and a Moderna-partnered cancer vaccine. Merck has raised its oncology portfolio estimate to from US$10 billion to $20 billion-plus by the middle of the next decade.

Four years after the arrival of the company's CEO Paul Hudson, the "new" Sanofi has finally started to take shape. With the goal to become a tech-powered, immunology powerhouse, Sanofi is now in the midst of a "real moment," Hudson said. "It's been a long time in the making, and we really feel like we're demonstrating that we're the new Sanofi," he said. Much of the company's momentum will continue to hinge on its Regeneron-partnered megablockbuster *Dupixent*. Sanofi is going all-in on R&D, with the goal to significant sales from new medicines by 2030 to compensate for *Dupixent's* patent cliff looming in the next decade. "This is a very important moment for the company to have multiple shots on goal in massive diseases," Hudson said. "This is a deck stacked for success."

Eli Lilly CEO David Ricks gave credit to Novo Nordisk for pursuing GLP-1s for obesity during his presentation, "We have tremendous respect for Novo Nordisk and have competed with them for like 100 years and know each other pretty well." The obesity market lends itself to more involvement given the massive demand. Ricks said the two companies are not fighting over a "fixed pie," but instead using their combined powers to advance the GLP-1 field into addressing other health challenges such as cardiovascular risks, sleep apnea and so on.

Day 3 Highights:

After the most transformational year in Alkermes' history, the company is stripped down and anxious to carry on in its new role as a pure-play neuroscience specialist. COO Blair Jackson described last year as "a year of resetting and clearing the decks and simplifying the story." Specifically, the Alkermes spun off its oncology division and sold a plant in Ireland, among other developments. Now, the company is focused on the launch of *Lybalvi* and a mid-stage pipeline candidate.

Despite the much-anticipated entrance of a longer-acting product to compete with *Botox* in the cosmetic market, the Illinois-based drugmaker is not seeing any evidence of sales erosion, AbbVie said. The pharma giant also addressed its recent acquisitions of antibody-drug conjugate biotech ImmunoGen and neuroscience specialist. With both deals, AbbVie is targeting "long-term growth," chief operating officer Rob Michael said during the event.

In Brief (cont.)

Japan on a priority basis. Since efforts are being made to secure the supply of products under shipment restrictions, they have asked for prioritized provisioning of these products, as well as other needed drugs to the disaster areas. Pharma companies responded to the wholesaler groups' request, saying they would do their best to meet the needs of the affected areas.

- The **US Food and Drug Administration (FDA)** has expanded *Keytruda's (pembrolizumab)* use in combination with chemoradiotherapy to certain advanced types of cervical cancer. Patients stage III-IVA cervical cancer will now be eligible for **MSD's** blockbuster immunotherapy.
- **AstraZeneca** will acquire vaccine company **Icosavax** for US$1.1 billion. Icosavax is developing a potential vaccine for respiratory syncytial virus (RSV) and human metapneumovirus (hMPV) which can cause severe illness and hospitalization.

(Sources: Drug Store News, Fiercepharma, Pharma Japan, Scrip Citeline, and Wall Street Journal)